SENATE BILL No. 255

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33.

Synopsis: Dockside gaming. Authorizes dockside gaming in Hammond, Gary, and East Chicago if the city council adopts an ordinance approving dockside gaming. Authorizes dockside gaming in LaPorte County and the counties contiguous to the Ohio River that have riverboats if the county council adopts an ordinance approving dockside gaming. Makes conforming amendments to apply to riverboats docked in cities and counties in which dockside gaming is approved.

Effective: July 1, 2002.

Mrvan

January 7, 2002, read first time and referred to Committee on Rules and Legislative Procedure.





Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 255

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-33-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5.5. "Continuously moored vessel" means a vessel formerly self-propelled that previously cruised navigable waters but has been determined by the United States Coast Guard to be continuously docked and removed from navigation.

SECTION 2. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. (a) Except as provided in subsection (b), "dock" means the location where an excursion riverboat moors for the purpose of embarking passengers for and disembarking passengers from a gambling excursion.

(b) This subsection applies only to a riverboat docked in a county or city that has approved dockside gaming under IC 4-33-6-21 or IC 4-33-6-22. As used in this subsection, "dock" means the location where a riverboat moors for the purpose of embarking passengers for and disembarking passengers from the riverboat.

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1	SECTION 3. IC 4-33-2-7.5 IS ADDED TO THE INDIANA CODE
2	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3	1, 2002]: Sec. 7.5. "Dockside gaming" refers to the practice of
4	conducting gambling games and allowing the continuous ingress
5	and egress of passengers for the purpose of gambling while a
6	riverboat is docked.
7	SECTION 4. IC 4-33-2-8 IS AMENDED TO READ AS FOLLOWS
8	[EFFECTIVE JULY 1, 2002]: Sec. 8. "Gambling excursion" means the
9	time during which gambling games may be operated on a riverboat
10	that is not docked in a county or city that has approved dockside
11	gaming under IC 4-33-6-21 or IC 4-33-6-22.
12	SECTION 5. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE
13	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
14	1, 2002]: Sec. 15.5. (a) This section applies to a riverboat docked in
15	one (1) of the following:
16	(1) A county that has approved dockside gaming under
17	IC 4-33-6-21.
18	(2) A city that has approved dockside gaming under
19	IC 4-33-6-22.
20	(b) "Patron" means an individual who:
21	(1) boards a riverboat; and
22	(2) is not entitled to receive a fee free pass.
23	SECTION 6. IC 4-33-2-16.5 IS ADDED TO THE INDIANA CODE
24	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
25	1, 2002]: Sec. 16.5. (a) This section applies to a riverboat docked in
26	one (1) of the following:
27	(1) A county that has approved dockside gaming under
28	IC 4-33-6-21.
29	(2) A city that has approved dockside gaming under
30	IC 4-33-6-22.
31	(b) "Reporting period" means a twenty-four (24) hour
32	increment used by the department to assess fees under this article,
33	commencing at 6 a.m. each day and concluding at 5:59 a.m. the
34	following day.
35	SECTION 7. IC 4-33-2-17 IS AMENDED TO READ AS
36	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 17. (a) Except as
37	provided in subsection (b), "riverboat" means a self-propelled
38	excursion boat located in a county described in IC 4-33-1-1 on which
39	lawful gambling is authorized and licensed under this article.
40	(b) This subsection applies only to a riverboat docked in a
41	county or city that has approved dockside gaming under

IC 4-33-6-21 or IC 4-33-6-22. "Riverboat" means a self-propelled



1	excursion boat or continuously moored vessel located in a county
2	described in IC 4-33-1-1 on which lawful gambling is authorized
3	and licensed under this article.
4	SECTION 8. IC 4-33-4-3, AS AMENDED BY P.L.14-2000,
5	SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6	JULY 1, 2002]: Sec. 3. (a) The commission shall do the following:
7	(1) Adopt rules that the commission determines necessary to
8	protect or enhance the following:
9	(A) The credibility and integrity of gambling operations
10	authorized by this article.
11	(B) The regulatory process provided in this article.
12	(C) The natural environment and scenic beauty of Patoka
13	Lake.
14	(2) Conduct all hearings concerning civil violations of this article.
15	(3) Provide for the establishment and collection of license fees
16	and taxes imposed under this article.
17	(4) Deposit the license fees and taxes in the state gaming fund
18	established by IC 4-33-13.
19	(5) Levy and collect penalties for noncriminal violations of this
20	article.
21	(6) Deposit the penalties in the state gaming fund established by
22	IC 4-33-13.
23	(7) Be present through the commission's inspectors and agents
24	during the time gambling operations are conducted on a riverboat
25	to do the following:
26	(A) Certify the revenue received by a riverboat.
27	(B) Receive complaints from the public.
28	(C) Conduct other investigations into the conduct of the
29	gambling games and the maintenance of the equipment that
30	the commission considers necessary and proper.
31	(D) With respect to riverboats that operate on Patoka Lake,
32	ensure compliance with the following:
33	(i) IC 14-26-2-6.
34	(ii) IC 14-26-2-7.
35	(iii) IC 14-28-1.
36	(8) Adopt emergency rules under IC 4-22-2-37.1 if the
37	commission determines that:
38	(A) the need for a rule is so immediate and substantial that
39	rulemaking procedures under IC 4-22-2-13 through
40	IC 4-22-2-36 are inadequate to address the need; and
41	(B) an emergency rule is likely to address the need.
42	(9) Adopt emergency rules under IC 4-22-2-37.1 to regulate



1	the implementation of dockside gaming in a county or city
2	that approves dockside gaming under IC 4-33-6-21 or
3	IC 4-33-6-22.
4	(b) The commission shall begin rulemaking procedures under
5	IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted
6	under subsection (a)(8) not later than thirty (30) days after the adoption
7	of the emergency rule under subsection (a)(8).
8	SECTION 9. IC 4-33-4-10 IS AMENDED TO READ AS
9	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The commission
10	shall authorize the route of a riverboat and the stops, if any, that the
11	riverboat may make while on a cruise.
12	SECTION 10. IC 4-33-4-21.2, AS AMENDED BY P.L.215-2001,
13	SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14	JULY 1, 2002]: Sec. 21.2. (a) The Indiana gaming commission shall
15	require a licensed owner to conspicuously display the number of the
16	toll free telephone line described in IC 4-33-12-6 in the following
17	locations:
18	(1) On each admission ticket to a riverboat gambling excursion.
19	if admission tickets are issued.
20	(2) On a poster or placard that is on display in a public area of
21	each riverboat where gambling games are conducted.
22	(b) The toll free telephone line described in IC 4-33-12-6 must be:
23	(1) maintained by the division of mental health and addiction
24	under IC 12-23-1-6; and
25	(2) funded by the addiction services fund established by
26	IC 12-23-2-2.
27	(c) The commission may adopt rules under IC 4-22-2 necessary to
28	carry out this section.
29	SECTION 11. IC 4-33-6-6 IS AMENDED TO READ AS
30	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) A riverboat that
31	operates in cruises from a county described in IC 4-33-1-1(1) or
32	IC 4-33-1-1(2) must:
33	(1) have a valid certificate of inspection from the United States
34	Coast Guard for the carrying of at least five hundred (500)
35	passengers; and
36	(2) be at least one hundred fifty (150) feet in length.
37	(b) A riverboat that operates cruises on Patoka Lake must:
38	(1) have the capacity to carry at least five hundred (500)
39	passengers;
40	(2) be at least one hundred fifty (150) feet in length; and
41	(3) meet safety standards required by the commission.
42	(c) This subsection applies only to a riverboat that operates on the



1	Ohio River. A riverboat must replicate, as nearly as possible, historic
2	Indiana steamboat passenger vessels of the nineteenth century.
3	However, steam propulsion or overnight lodging facilities are not
4	required under this subsection.
5	SECTION 12. IC 4-33-6-9 IS AMENDED TO READ AS
6	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) A licensed owner
7	must post a bond with the commission at least sixty (60) days before
8	the commencement of regular gambling on the riverboat. exeursions.
9	(b) The bond shall be furnished in:
10	(1) cash or negotiable securities;
11	(2) a surety bond:
12	(A) with a surety company approved by the commission; and
13	(B) guaranteed by a satisfactory guarantor; or
14	(3) an irrevocable letter of credit issued by a banking institution
15	of Indiana acceptable to the commission.
16	(c) If a bond is furnished in cash or negotiable securities, the
17	principal shall be placed without restriction at the disposal of the
18	commission, but income inures to the benefit of the licensee.
19	(d) The bond:
20	(1) is subject to the approval of the commission;
21	(2) must be in an amount that the commission determines will
22	adequately reflect the amount that a local community will expend
23	for infrastructure and other facilities associated with a riverboat
24	operation; and
25	(3) must be payable to the commission as obligee for use in
26	payment of the licensed owner's financial obligations to the local
27	community, the state, and other aggrieved parties, as determined
28	by the rules of the commission.
29	(e) If after a hearing (after at least five (5) days written notice) the
30	commission determines that the amount of a licensed owner's bond is
31	insufficient, the licensed owner shall upon written demand of the
32	commission file a new bond.
33	(f) The commission may require a licensed owner to file a new bond
34	with a satisfactory surety in the same form and amount if:
35	(1) liability on the old bond is discharged or reduced by judgment
36	rendered, payment made, or otherwise; or
37	(2) in the opinion of the commission any surety on the old bond
38	becomes unsatisfactory.
39	(g) If a new bond obtained under subsection (e) or (f) is
40	unsatisfactory, the commission shall cancel the owner's license. If the
41	new bond is satisfactorily furnished, the commission shall release in
42	writing the surety on the old bond from any liability accruing after the



1	effective date of the new bond.
2	(h) A bond is released on the condition that the licensed owner
3	remains at the site for which the owner's license is granted for the
4	lesser of:
5	(1) five (5) years; or
6	(2) the date the commission grants a license to another licensed
7	owner to operate from the site for which the bond was posted.
8	(i) A licensed owner who does not meet the requirements of
9	subsection (h) forfeits a bond filed under this section. The proceeds of
10	a bond that is in default under this subsection are paid to the
11	commission for the benefit of the local unit from which the riverboat
12	operated.
13	(j) The total and aggregate liability of the surety on a bond is limited
14	to the amount specified in the bond and the continuous nature of the
15	bond may in no event be construed as allowing the liability of the
16	surety under a bond to accumulate for each successive approval period
17	during which the bond is in force.
18	(k) A bond filed under this section is released sixty (60) days after:
19	(1) the time has run under subsection (h); and
20	(2) a written request is submitted by the licensed owner.
21	SECTION 13. IC 4-33-6-10 IS AMENDED TO READ AS
22	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) An owner's
23	license issued under this chapter permits the holder to own and operate
24	one (1) riverboat and equipment for each license.
25	(b) An owner's license issued under this chapter does not permit
26	the holder to:
27	(1) conduct gambling games authorized under this article
28	while the riverboat is docked; and
29	(2) allow the continuous ingress and egress of passengers for
30	purposes of gambling;
31	unless the fiscal body of the county or city in which the riverboat
32	is docked has approved dockside gaming under section 21 or 22 of
33	this chapter.
34	(c) An owner's license issued under this chapter must specify the
35	place where the riverboat must operate and dock. However, the
36	commission may permit the riverboat to dock at a temporary dock in
37	the applicable city for a specific period of time not to exceed one (1)
38	year after the owner's license is issued.
39	(c) (d) An owner's initial license expires five (5) years after the
40	effective date of the license.
41	SECTION 14. IC 4-33-6-11 IS AMENDED TO READ AS
42	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The commission



1	may revoke an owner's license if:
2	(1) the licensee begins regular riverboat excursions operations
3	more than twelve (12) months after receiving the commission's
4	approval of the application for the license; and
5	(2) the commission determines that the revocation of the license
6	is in the best interests of Indiana.
7	SECTION 15. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE
8	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
9	1, 2002]: Sec. 21. (a) This section applies to:
0	(1) a county having a population of more than forty-six
. 1	thousand one hundred eight (46,108) but less than forty-six
2	thousand two hundred fifty (46,250);
.3	(2) a county having a population of more than thirty-four
4	thousand three hundred (34,300) but less than thirty-four
.5	thousand nine hundred (34,900);
6	(3) a county having a population of more than one hundred
7	ten thousand (110,000) but less than one hundred fifteen
8	thousand (115,000);
9	(4) a county having a population of less than six thousand
20	(6,000);
21	(5) a county having a population of more than nine thousand
22	(9,000) but less than nine thousand four hundred (9,400); and
23	(6) a county having a population of more than one hundred
24	seventy thousand (170,000) but less than one hundred eighty
25	thousand (180,000).
26	(b) A riverboat owner may not:
27	(1) conduct gambling games authorized under this article; and
28	(2) allow the continuous ingress and egress of passengers for
29	the purpose of gambling;
30	while the riverboat is docked in the county, unless the fiscal body
31	of the county approves dockside gaming in an ordinance adopted
32	under this section.
33	(c) Before adopting the ordinance, the county fiscal body must:
34	(1) conduct a public hearing on the proposed ordinance; and
35	(2) publish notice of the public hearing in the manner
36	prescribed by IC 5-3-1. SECTION 16. IC 4-33-6-22 IS ADDED TO THE INDIANA CODE
37	
88	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
39 10	1, 2002]: Sec. 22. (a) This section applies to:
₽0 ₽1	(1) a city having a population of more than thirty-two
12	thousand (32,000) but less than thirty-two thousand eight hundred (32,800) that is located in a county having a
r ∠	nundred (52,000) that is ideated in a county having a



1	population of more than four hundred thousand (400,000) but
2	less than seven hundred thousand (700,000);
3	(2) a city having a population of more than ninety thousand
4	(90,000) but less than one hundred five thousand (105,000)
5	that is located in a county that has a population of more than
6	four hundred thousand (400,000) but less than seven hundred
7	thousand (700,000); and
8	(3) a city having a population of more than seventy-five
9	thousand (75,000) but less than ninety thousand (90,000) that
10	is located in a county that has a population of more than four
11	hundred thousand (400,000) but less than seven hundred
12	thousand (700,000).
13	(b) A riverboat owner may not:
14	(1) conduct gambling games authorized under this article; and
15	(2) allow the continuous ingress and egress of passengers for
16	the purpose of gambling;
17	while the riverboat is docked in the city unless the fiscal body of the
18	city approves dockside gaming in an ordinance adopted under this
19	section.
20	(c) Before adopting the ordinance, the city fiscal body must:
21	(1) conduct a public hearing on the proposed ordinance; and
22	(2) publish notice of the public hearing in the manner
23	prescribed by IC 5-3-1.
24	SECTION 17. IC 4-33-9-2, AS AMENDED BY P.L.20-1995,
25	SECTION 15, AND AS AMENDED BY P.L.55-1995, SECTION 3, IS
26	AMENDED AND CORRECTED TO READ AS FOLLOWS
27	[EFFECTIVE JULY 1, 2002]: Sec. 2. (a) This section does not apply
28	to a riverboat docked in one (1) of the following:
29	(1) A county that has approved dockside gaming under
30	IC 4-33-6-21.
31	(2) A city that has approved dockside gaming under
32	IC 4-33-6-22.
33	(b) Except as provided in subsections (b), (c) and (c), (d), gambling
34	may not be conducted while a riverboat is docked in a county or city
35	other than a county or city described in subsection (a).
36	(b) (c) If the master of the riverboat reasonably determines and
37	certifies in writing that:
38	(1) specific weather conditions, or traffic
39	conditions present a danger to the riverboat and the riverboat's
40	passengers and crew;
41	(2) either the vessel or the docking facility is undergoing
42	mechanical or structural repair;



1	(3) water traffic conditions present a danger to:
2	(A) the riverboat, riverboat passengers, and crew; or
3	(B) other vessels on the water; or
4	(4) the master has been notified that a condition exists that would
5	cause a violation of federal law if the riverboat were to cruise;
6	the riverboat may remain docked and gaming may take place until (1)
7	the master determines that the conditions have sufficiently diminished
8	or been corrected for the riverboat to safely proceed or (2) the duration
9	of the authorized excursion has expired.
10	(e) (d) The commission shall by rule permit gambling to be
11	conducted for periods of not more than thirty (30) minutes during
12	passenger embarkation and not more than thirty (30) minutes during
13	passenger disembarkation.
14	SECTION 18. IC 4-33-9-3 IS AMENDED TO READ AS
15	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) Except as
16	provided in subsections (b) and (c), riverboat excursions
17	may not exceed four (4) hours for a round trip.
18	(b) Subsection (a) does not apply to an extended cruise that is
19	expressly approved by the commission.
20	(c) This subsection applies only to a riverboat docked in a
21	county or city that has approved dockside gaming under
22	IC 4-33-6-21 or IC 4-33-6-22. A riverboat cruise may not exceed
23	two (2) hours for a round trip.
24	SECTION 19. IC 4-33-9-14 IS AMENDED TO READ AS
25	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section
26	applies only to a riverboat that operates from a county that is
27	contiguous to the Ohio River.
28	(b) A gambling excursion cruise is permitted only when the
29	navigable waterway for which the riverboat is licensed is navigable, as
30	determined by the commission in consultation with the United States
31	Army Corps of Engineers.
32	SECTION 20. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE
33	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
34	1, 2002]: Sec. 17. (a) This section applies only to a riverboat docked
35	in one (1) of the following:
36	(1) A county that has approved dockside gaming under
37	IC 4-33-6-21.
38	(2) A city that has approved dockside gaming under
39	IC 4-33-6-22.
40	(b) The riverboat owner may implement dockside gaming on
41	January 1 following the adoption of an ordinance approving
42	dockside gaming under IC 4-33-6-21 or IC 4-33-6-22.



1 2	SECTION 21. IC 4-33-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person who
3	knowingly or intentionally:
4	(1) makes a false statement on an application submitted under this
5	article;
6	(2) operates a gambling excursion in riverboat on which
7	wagering is conducted or is to be conducted in a manner other
8	than the manner required under this article;
9	(3) permits a person less than twenty-one (21) years of age to
.0	make a wager;
1	(4) aids, induces, or causes a person less than twenty-one (21)
2	years of age who is not an employee of the riverboat gambling
3	operation to enter or attempt to enter a riverboat;
.4	(5) wagers or accepts a wager at a location other than a riverboat;
.5	or
.6	(5) (6) makes a false statement on an application submitted to the
.7	commission under this article;
. 8	commits a Class A misdemeanor.
9	(b) A person who:
20	(1) is not an employee of the riverboat gambling operation;
21	(2) is less than twenty-one (21) years of age; and
22	(3) knowingly or intentionally enters or attempts to enter a
23	riverboat;
24	commits a Class C misdemeanor.
25	SECTION 22. IC 4-33-10-5 IS AMENDED TO READ AS
26	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. An action to
27	prosecute a crime occurring during a gambling excursion on a
28	riverboat shall be tried in the county of the dock where the riverboat is based.
29 30	SECTION 23. IC 4-33-12-1 IS AMENDED TO READ AS
81	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) This subsection
32	does not apply to a riverboat docked in one (1) of the following:
33	(1) A county that has approved dockside gaming under
34	IC 4-33-6-21.
35	(2) A city that has approved dockside gaming under
36	IC 4-33-6-22.
37	A tax is imposed on admissions to gambling excursions authorized
38	under this article at a rate of three dollars (\$3) for each person admitted
39	to the gambling excursion.
10	(b) This subsection applies only to a riverboat docked in one (1)
1	of the following:
12	(1) A county that has approved dockside gaming under



1	IC 4-33-6-21.	
2	(2) A city that has approved dockside gaming under	
3	IC 4-33-6-22.	
4	A tax is imposed on admissions to a riverboat authorized under	
5	this article at a rate of three dollars (\$3) for each patron who is on	
6	board at the time a passenger count is recorded. Passenger counts	
7	must be recorded one (1) hour after the start of each reporting	
8	period and once every two (2) hours thereafter under procedures	
9	approved by the commission. If the riverboat's schedule as	
10	approved by the commission does not provide for the riverboat to	
11	be open to the public at the start of the reporting period, passenger	
12	counts must be recorded one (1) hour after the riverboat begins	
13	admitting patrons during a reporting period and once every two	
14	(2) hours thereafter under procedures approved by the	
15	commission.	
16	(c) This admission tax is imposed upon the licensed owner	
17	conducting the gambling excursion. operation.	U
18	SECTION 24. IC 4-33-12-2 IS AMENDED TO READ AS	
19	FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) This section does	
20	not apply to a riverboat docked in one (1) of the following:	
21	(1) A county that has approved dockside gaming under	
22	IC 4-33-6-21.	
23	(2) A city that has approved dockside gaming under	
24	IC 4-33-6-22.	
25	(b) If tickets are issued that may be used for admission to more than	
26	one (1) gambling excursion, the admission tax must be paid for each	
27	person using the ticket on each gambling excursion for which the ticket	
28	is used.	W
29	(b) (c) If free passes or complimentary admission tickets are issued,	
30	a person who has been issued an owner's license shall pay the same tax	
31	on the passes or complimentary tickets as if the passes or tickets were	
32	sold at the regular admission rate.	

